



State of Wisconsin
Department of Public Instruction
Elizabeth Burmaster, State Superintendent

*****NEWS RELEASE*****

FOR IMMEDIATE RELEASE

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**DPI removes L.E.A.D.E.R. Institute from the
Milwaukee Parental Choice Program**

MADISON—The Department of Public Instruction issued an order today barring the L.E.A.D.E.R. Institute from participating in the Milwaukee Parental Choice Program due to deficiencies in fiscal practices and because it is not financially viable, conditions required of schools since Gov. Jim Doyle and the Legislature enacted financial accountability laws for the program in March 2004.

Based on information provided to the department, the L.E.A.D.E.R. Institute owes \$497,822 for improperly cashed student checks, improperly claimed summer school payments, past payroll payments, and debts to various vendors and government agencies. The school's identified past due liabilities exceed Milwaukee Parental Choice Program revenues for the first half of the school year by \$250,133, demonstrating that it is not financially viable. Further, the school's 2004-05 audited financial information shows total liabilities of \$281,841 as of June 2005 and assets of \$24,269.

Under laws and administrative rules governing the Milwaukee Parental Choice Program and review of financial statements provided by the school and an independent auditor's report, the DPI has found that the school has not fully complied with expense payment requirements, government agency filing requirements, liability insurance requirements, and the fidelity bond requirement for the program.

The order makes the L.E.A.D.E.R. Institute ineligible to receive further Milwaukee Parental Choice Program payments until it provides acceptable information that it is financially viable.

DPI staff, as is departmental practice in these instances, will work with students, parents, and members of the Milwaukee educational community to ensure that L.E.A.D.E.R. Institute students, who are interested, may enroll in other schools as soon as possible.

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